



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

DALLAS DOCTOR'S PROFESSIONAL ASSOCIATION
2351 W N WEST HWY SUITE 3100
DALLAS TX 75220

DWC Claim #:
Injured Employee:
Date of Injury:
Employer Name:
Insurance Carrier #:

Respondent Name

ACE AMERICAN INSURANCE CO

Carrier's Austin Representative Box

Box Number 15

MFDR Tracking Number

M4-09-9561-01

MFDR Date Received

JUNE 22, 2009

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "For all the above dates of service, reimbursement for services rendered was not properly reimbursed by the insurance carrier... Payment should have originally been made by Zurich at the reasonable 125% Medicare rates according to Dallas County, Tx. Overall, our facility received less than one-third of the reimbursement we should have received, if the claims were processed correctly"

Amount in Dispute: \$1,761.57

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "This case involves DOS 11/12/08 through 11/26/08. Carrier has already paid these bills per its PPO agreement. See Exhibit No. 1."

Response Submitted by: Flahive, Ogden & Latson, PO Drawer 13367, Austin, TX 78711

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 12, 2008 through November 26, 2008	Physical Therapy Services	\$1,761.57	\$1,741.79

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.203 sets out the guidelines for reimbursement for professional services.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - 45 – Charges exceed your contracted/legislated fee arrangement.
 - 793 – Reduction due to PPO contract.
 - 663 – Reimbursement has been calculated according to the state fee schedule guidelines.

Issues

1. Did the requestor have a PPO agreement with the insurance carrier?
2. Was the requestor reimbursed in accordance with the policies in effect at the time services were rendered.?
3. Is the requestor entitled to reimbursement?

Findings

1. The insurance carrier reduced or denied disputed services with reason code 45 – “Charges exceed your contracted/legislated fee arrangement” and 793 – “Reduction due to PPO contract.” Review of the submitted information finds insufficient documentation to support that the disputed services are subject to a contractual agreement between the parties to this dispute. The above denial/reduction reason is not supported. The disputed services will therefore be reviewed for payment in accordance with applicable Division rules and fee guidelines.
2. Per 28 Texas Administrative Code §134.203(b)(1) for coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules. Review of the documentation submitted by the requestor finds that the treatment rendered to the injured employee meets the requirements of §134.203(b)(1).

The requestor states on the Table of Dispute Services that “Reductions exceeded 125% Medicare.” However, in accordance with 28 Texas Administrative Code §134.203(c) which states, in pertinent part, “To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications: (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83... (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007.” The MAR for the payable services may be calculated by (2008 TDI-DWC MEDICARE CONVERSION FACTOR) x Facility Price = MAR.

- CPT Code 97018 – $(52.83 \div 38.087) \times \$7.45 \times 9 \text{ units} = \$93.00 - 26.28$ (carrier payment). The requestor is seeking \$63.72
 - CPT Code 97022 – $(52.83 \div 38.087) \times \$16.80 \times 9 \text{ unit} = \$209.73 - \$59.40$ (Carrier payment). The requestor is seeking \$136.62
 - CPT Code 97110 – $(52.83 \div 38.087) \times \$27.60 \times 27 \text{ unit} = \$1,033.66 - \$279.50$ (Carrier payment). The requestor is seeking \$667.92
 - CPT Code 97140 – $(52.83 \div 38.087) \times \$25.64 \times 8 \text{ unit} = \$284.52 - \$90.54$ (Carrier payment) = \$193.98
 - CPT Code 97530 – $(52.83 \div 38.087) \times \$29.17 \times 18 \text{ unit} = \$728.30 - \$117.94$ (Carrier Payment). The requestor is seeking \$551.84
 - CPT Code 97032 – $(52.83 \div 38.087) \times \$15.95 \times 9 \text{ unit} = \$199.12 - \$56.34$ (Carrier payment). The requestor is seeking \$127.71
3. Review of the submitted documentation finds that the services were rendered as billed; therefore, reimbursement is due to the requestor

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$1,741.79.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$1,741.79 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

_____ Signature	_____ Medical Fee Dispute Resolution Officer	_____ May 16, 2013 Date
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YOUR RIGHT TO APPEAL

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision* together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party.****

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.